

STATE BONDING FUND
INVESTMENT PERFORMANCE REPORT AS OF OCTOBER 31, 2005

	October-05				September-05				Current	Prior Year	3 Years	5 Years
	Allocation		Month	Net ROR	Allocation		Quarter	Net	Net	6/30/2005	6/30/2005	
	Market Value	Actual	Policy		Market Value	Actual	Policy					Net ROR
LARGE CAP DOMESTIC EQUITY												
Structured Growth												
Los Angeles Capital	75,863	2.9%	2.8%	-1.63%	77,294	2.9%	2.8%	5.46%	3.73%	7.56%	N/A	N/A
Total Structured Growth	75,863	2.9%	2.8%	-1.63%	77,294	2.9%	2.8%	5.46%	3.73%	7.56%	7.46%	-9.18%
Russell 1000 Growth				-0.97%				4.01%	3.00%	1.68%	7.26%	-10.36%
Structured Value												
LSV	75,455	2.9%	2.8%	-2.77%	77,827	2.9%	2.8%	5.06%	2.14%	18.35%	14.73%	14.78%
Russell 1000 Value				-2.54%				3.88%	1.25%	14.06%	11.00%	6.55%
Russell 1000 Enhanced Index												
LA Capital	150,759	5.7%	5.6%	-2.15%	154,375	5.8%	5.6%	6.45%	4.16%	7.93%	N/A	N/A
Russell 1000				-1.75%				3.95%	2.12%	7.92%	N/A	N/A
S&P 500 Enhanced Index												
Westridge	146,996	5.6%	5.6%	-1.67%	149,468	5.6%	5.6%	3.64%	1.91%	6.58%	N/A	N/A
S&P 500				-1.67%				3.60%	1.88%	6.32%	N/A	N/A
Index												
State Street	48,693			-1.67%	49,517			3.58%	1.85%	6.27%	8.22%	-2.45%
Total Index	48,693	1.8%	1.9%	-1.67%	49,517	1.9%	1.9%	3.58%	1.85%	6.27%	8.22%	-2.45%
S&P 500				-1.67%				3.60%	1.88%	6.32%	8.28%	-2.37%
TOTAL LARGE CAP DOMESTIC EQUITY	497,767	18.9%	18.8%	-1.98%	508,482	19.0%	18.8%	4.97%	2.89%	8.89%	9.59%	-0.28%
S&P 500				-1.67%				3.60%	1.88%	6.32%	8.28%	-2.37%
SMALL CAP DOMESTIC EQUITY												
Manager-of-Managers												
SEI	162,477	6.2%	6.3%	-3.74%	168,733	6.3%	6.3%	5.46%	1.52%	9.32%	13.32%	N/A
Russell 2000 + 200bp				-2.94%				5.21%	2.12%	11.64%	15.07%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	162,477	6.2%	6.3%	-3.74%	168,733	6.3%	6.3%	5.46%	1.52%	9.32%	13.32%	5.50%
Russell 2000				-3.11%				4.69%	1.44%	9.45%	12.81%	5.71%
INTERNATIONAL EQUITY												
Large Cap - Active												
Capital Guardian	111,363	4.2%	4.0%	-1.56%	112,860	4.2%	4.0%	12.11%	10.37%	10.32%	7.44%	-3.80%
LSV	110,275	4.2%	4.0%	-2.98%	113,701	4.2%	4.0%	11.20%	7.89%	N/A	N/A	N/A
Transition Account	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Total Large Cap - Active	221,638	8.4%	8.0%	-2.27%	226,561	8.5%	8.0%	11.67%	9.13%	13.23%	12.39%	7.26%
MSCI EAFE - 50% Hedged				-2.34%				11.07%	8.47%	14.41%	8.84%	-2.61%
Small Cap - Value												
Lazard	26,019	1.0%	1.0%	-4.30%	27,176	1.0%	1.0%	9.94%	5.22%	18.18%	N/A	N/A
Citigroup Broad Market Index < \$2BN				-2.00%				12.05%	9.81%	21.33%	N/A	N/A
Small Cap - Growth												
Vanguard	26,368	1.0%	1.0%	-4.10%	27,496	1.0%	1.0%	10.41%	5.88%	24.11%	N/A	N/A
Citigroup Broad Market Index < \$2BN				-2.00%				12.05%	9.81%	21.33%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	274,024	10.4%	10.0%	-2.64%	281,233	10.5%	10.0%	11.37%	8.43%	15.34%	10.62%	-2.10%
MSCI EAFE - 50% Hedged				-2.34%				11.07%	8.47%	14.41%	8.84%	-2.61%
DOMESTIC FIXED INCOME												
Core Bond												
Western Asset	492,931	18.7%	18.3%	-1.09%	497,705	18.6%	18.3%	-0.41%	-1.49%	7.14%	7.36%	8.59%
Lehman Aggregate				-0.79%				-0.67%	-1.46%	6.80%	5.75%	7.40%
Index												
Bank of ND	451,805	17.1%	18.3%	-0.85%	460,176	17.2%	18.3%	-0.84%	-1.68%	4.08%	5.66%	7.26%
Lehman Gov/Credit (1)				-0.86%				-0.96%	-1.81%	4.80%	5.82%	7.35%
BBB Average Quality												
Wells Capital (formerly Strong)	490,425	18.6%	18.3%	-1.10%	492,054	18.4%	18.3%	-1.05%	-2.14%	9.14%	9.20%	N/A
Lehman US Credit BAA				-1.29%				-0.97%	-2.24%	8.60%	9.42%	N/A
TOTAL DOMESTIC FIXED INCOME	1,435,161	54.4%	55.0%	-1.01%	1,449,935	54.2%	55.0%	-0.76%	-1.77%	6.14%	6.59%	7.79%
Lehman Gov/Credit				-0.86%				-0.96%	-1.81%	7.26%	6.41%	7.70%
CASH EQUIVALENTS												
Bank of ND	268,206	10.2%	10.0%	0.33%	267,314	10.0%	10.0%	0.93%	1.27%	2.46%	1.74%	2.68%
90 Day T-Bill				0.26%				0.83%	1.09%	2.15%	1.55%	2.62%
TOTAL BONDING FUND	2,637,635	100.0%	100.0%	-1.40%	2,675,696	100.0%	100.0%	2.13%	0.69%	6.51%	7.96%	4.19%
POLICY TARGET BENCHMARK				-1.19%				1.62%	0.42%	6.74%	5.17%	2.97%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.